

Assembly Bill No. 637

Passed the Assembly July 21, 1997

Chief Clerk of the Assembly

Passed the Senate July 14, 1997

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 1997, at ____ o'clock __M.

Private Secretary of the Governor

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CHAPTER ____

An act to amend Section 56133 of the Government Code, and to amend Section 12819 of the Public Utilities Code, relating to municipal utility districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 637, Alby. Municipal utility districts.

Existing law prohibits a municipal utility district furnishing light, heat, or power from expending funds for advertising when the advertising encourages increased consumption of those services or commodities.

This bill would provide that the above prohibition shall not apply to the expenditure of funds for advertising for the purposes of economic development that benefits ratepayers, retaining customers, marketing competitive services and commodities, or promoting electrotechnologies that enhance productivity or provide environmental benefits.

Existing law, with specified exceptions, prohibits a city or district from providing new or extended services outside its jurisdiction without prior written approval of the local agency formation commission.

This bill would state that these provisions do not apply to a local publicly owned electric utility, as defined, providing electric services, which do not involve the acquisition, construction, or installation of electric distribution facilities outside of the utility's jurisdictional boundaries.

The people of the State of California do enact as follows:

SECTION 1. Section 56133 of the Government Code is amended to read:

56133. A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county. The commission may authorize a city or



district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization. This section does not apply to contracts or agreements solely involving two or more public agencies. This section does not apply to contracts for the transfer of nonpotable or nontreated water. This section does not apply to contracts or agreements solely involving the provision of surplus water to agricultural lands for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county. This section shall not apply to an extended service that a city or district was providing on January 1, 1994. This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services, which do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.

SEC. 2. Section 12819 of the Public Utilities Code is amended to read:

12819. (a) Every district furnishing light, heat, or power shall expend no funds for advertising when the advertising encourages increased consumption of the services or commodities.

(b) Nothing in this section shall prohibit a district furnishing light, heat, or power from expending funds for advertising which encourages the more efficient operation of the facilities, works, or utilities of the district, or for advertising which encourages the more efficient use of light, heat, or power, the conservation of energy or natural resources, or presents accurate information on the economical purchase, maintenance, or use of any appliance or device using light, heat, or power.

(c) Nothing in this section shall prohibit a district furnishing light, heat, or power from expending funds for

advertising for the purposes of economic development that benefits ratepayers, retaining customers, marketing competitive services and commodities, or promoting electrotechnologies that enhance productivity or provide environmental benefits, within or without the district.



Approved _____, 1997

Governor

